

COMMONWEALTH OF KENTUCKY
ENVIRONMENTAL AND PUBLIC PROTECTION CABINET
OFFICE OF FINANCIAL INSTITUTIONS
ADMINISTRATIVE AGENCY ACTION NO. 2005-AH-025

IN THE MATTER OF
MATRIX INVESTMENT CORPORATION

ORDER REVOKING EXEMPTION

Statement of Facts/Allegations

The Kentucky Office of Financial Institutions (hereinafter "OFI") is responsible for regulating and licensing mortgage loan companies and mortgage loan brokers in accordance with the provisions of KRS Chapter 294, the Mortgage Loan Company and Mortgage Loan Broker Act.

Matrix Investment Corporation (USA) dba Matrix Investment Corporation (hereinafter "Matrix") is a mortgage loan broker with a corporate office located at 618 Poquonnock Road, Groton, Connecticut 06340. Matrix currently holds an exemption from registration with the OFI.

On or about December 9, 2003, Matrix was granted an exemption from registration with the OFI based on the fact that it was regulated by the United States Department of Housing and Urban Development (hereinafter "HUD") in Kentucky.

A recent check of the HUD website listing of approved lenders indicated that Matrix is no longer an approved lender in Kentucky. Matrix's exemption from registration was granted solely on the basis of HUD regulation.

Statutory Authority

1. Pursuant to KRS 294.020(2)(a), mortgage loan companies or mortgage loan brokers regulated by HUD in Kentucky are exempt from the licensing requirements of Chapter 294.
2. Pursuant to KRS 294.020(3), it is the duty of the executive director of the OFI to determine whether a mortgage loan companies or mortgage loan brokers qualifies for the HUD exemption.
3. Pursuant to KRS 294.030 (1)(a), a mortgage loan company must apply and be approved for a license in Kentucky if it does not qualify for an exemption.

Conclusions

Based upon the foregoing, the Commissioner has determined as follows:

1. Matrix was granted an exemption from the licensing requirements of KRS 294.030 (1)(a).
2. Matrix's exemption under KRS 294.020(2)(a) was based on the fact that it was regulated by HUD in Kentucky.
3. Matrix is no longer regulated by HUD in Kentucky.
4. Matrix is no longer eligible for a license exemption under KRS 294.020(2)(a).
5. Matrix must apply for a license as a mortgage loan company, pursuant to KRS 294.030 (1)(a), should it decide to continue doing business as a mortgage loan company.

Order

Based upon the foregoing statement of facts/allegations, statutory authority and conclusions, the Executive Director HEREBY ORDERS as follows:

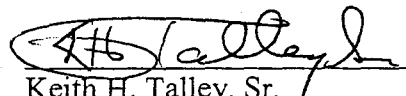
1. That the exemption held by Matrix Investment Corporation (USA) dba Matrix Investment Corporation under KRS 294.020(2)(a) is REVOKED;
2. That Matrix Investment Corporation (USA) dba Matrix Investment Corporation is required to apply for license as a mortgage loan company, as required by KRS 294.030 (1)(a) or an exemption from said statute, as applicable, should it decide to continue to do business as a mortgage loan company in Kentucky.

This ORDER shall become effective upon receipt.

Appeal Rights

Pursuant to KRS 294.190, you are hereby notified that you have the right to a hearing to appeal this Order of the Executive Director. If you choose to appeal, you must notify the Office of Financial Institutions in writing within twenty (20) days after the entry of this Order and, on receipt, OFI will schedule the matter for a hearing in accordance with KRS Chapter 13B.

IT IS SO ORDERED on this the 15th day of Sept, 2005



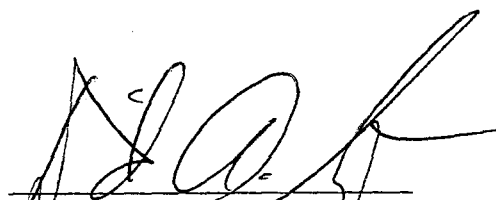
Keith H. Talley, Sr.
Acting Executive Director
Office of Financial Institutions
1025 Capital Center Drive, Ste. 200
Frankfort, Kentucky 40601

Certificate of Service

I, David A. Stringer, hereby certify that a copy of the foregoing Order Revoking Exemption was sent on this the 19th day of September, 2005 by certified mail, return receipt requested, to the following:

Jennifer Johnson Oteau
President
Matrix Investment Corporation (USA)
dba Matrix Investment Corporation
618 Poquonnock Road
Groton, Connecticut 06340

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dba Matrix Investment Corporation
c/o CT Corporation System
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